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STERNE, KESSLER, GOLDSTEIN & FOX, P.L.L.C.			EXAMINER	
1100 NEW YORK AVENUE, N.W.			HOLLY, JOHN H	
WASHINGTON, DC 20005-3934			ART UNIT	PAPER NUMBER
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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/750,030	STANIAR ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	JOHN H. HOLLY	3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If no period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### **Status**

1) Responsive to communication(s) filed on 22 May 2008.

2a) This action is FINAL.      2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### **Disposition of Claims**

4) Claim(s) 1-20 is/are pending in the application.

4a) Of the above claim(s) 19 and 20 is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-18 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### **Application Papers**

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### **Priority under 35 U.S.C. § 119**

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All    b) Some \* c) None of:  
 1. Certified copies of the priority documents have been received.  
 2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### **Attachment(s)**

1) Notice of References Cited (PTO-892)  
 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)  
 3) Information Disclosure Statement(s) (PTO/0256/06)  
 Paper No(s)/Mail Date \_\_\_\_\_

4) Interview Summary (PTO-413)  
 Paper No(s)/Mail Date. \_\_\_\_\_

5) Notice of Informal Patent Application

6) Other: \_\_\_\_\_

**DETAILED ACTION**

1. This Office Action is in response to an Amendment entered 05/22/2008 for the patent Application 10/750,030.

**Status of Claims**

2. Claims 1 – 20 are pending in the Application.  
Claims 19 and 20 has been cancelled in the Application.

**Response to Arguments**

3. Applicant's arguments filed May 22, 2008 with respect to claims 1 – 18 have been fully considered but are moot in view of the new ground(s) of rejections. A review of the claims and updated search necessitated the rejections below.

***Claim Rejections - 35 USC § 101***

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1-18 are rejected under 35 U.S.C. 101 because the claimed invention is directed to nonstatutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to

meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 1-18 fail to meet the above requirements because the claims fail to tie in another statutory class of invention.

***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office Action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1 – 5 and 16 - 18 are rejected under 35 U.S.C. 102(e) as being anticipated by Alexandra J. Adrian (Pub. # US 2005/0027654 A1- herein referred to as Adrian).

As per claim 1,

Adrian disclosed a method for processing a payment from a financial account, comprising:

receiving, from a buyer having a financial account, an identification of a supplier's invoice including an invoiced amount and a payment term selected by the supplier; receiving an approval to pay the supplier's invoice using the financial account

(Adrian, [0014], [0050], [0056]); and

providing, to the supplier, a payment in accordance with the selected payment term, the payment based on the invoiced amount and the selected payment term (Adrian, Abstract, [0050]).

As per claim 2,

Adrian disclosed the method of claim 1, the financial account comprising a credit account (Adrian, [0057], [0056]).

As per claim 3,

Adrian disclosed the method of claim 2, the credit account comprising a corporate purchasing account (Adrian, [0010]).

As per claim 4,

Adrian disclosed the method of claim 1, wherein the payment term comprises from a period from at least three days to at most one month from a date of the approval of the invoice (Adrian, [0015]).

As per claim 5,

Adrian disclosed the method of claim 1, wherein the payment term must be one of three days from a date of the approval of the invoice (Adrian, [0015]); fifteen days from the date of the approval of the invoice (Adrian, [0015]); and thirty days from the date of the approval of the invoice (Adrian, [0014]).

As per claim 16,

Adrian disclosed the method of claim 1, further comprising: receiving, from the supplier, a change to the payment term after the approval, said payment provided based on the change to the payment terms (Adrian, [0011], [0041], [0056]).

As per claim 17,

Adrian disclosed the method of claim 16, further comprising: charging the supplier a flat transaction fee, a risk intermediation fee comprising a first percentage of the invoiced amount, and a financing fee comprising a second

percentage of the invoiced amount, the second percentage-based on the change to the payment term (Adrian, [0011]).

As per claim 18,

Adrian disclosed the method of claim 1, further comprising:  
charging the invoiced amount to the financial account based on the approval  
(Adrian, [0010], [0011], [0056]).

***Claim Rejections - 35 USC § 103***

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office Action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

9. Claims 6, 7, 10 – 12 and 15 are rejected under 35 U.S.C. 103(a) as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of William C. Erbey et al. (Pub. # US 2005/0144125 A1- herein referred to as Erbey).

As per claim 6,

Adrian disclosed the method of claim 1.

However, Adrian does not expressly disclose the method according to claim 1, the payment comprising an amount equal to the invoiced amount less a flat transaction fee and a risk intermediation fee.

In a similar field of endeavor, Erbey discloses the method according to claim 1, the payment comprising an amount equal to the invoiced amount less a flat transaction fee and a risk intermediation fee (Erbey, [0114], [0115], [0117]).

In light of the teaching of Erbey, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian wherein the payment comprising an amount equal to the invoiced amount less a flat transaction fee and a risk intermediation fee as recited in claim 6.

This modification would provide a method for tracking and paying vendors based on accounts payable batch for the gross amount due to the vendor using a ACH system. The payments are scheduled based on an approved remittance cycle to each vendor.

As per claim 7,

Adrian disclosed the method of claim 6, wherein the flat transaction fee is not based on the invoiced amount (Erbey, [0056], [0115]).

The rationale for support motivation and obviousness and reason to combine see claim 6 above.

As per claim 10,

Adrian disclosed the method of claim 1, the payment comprising an amount equal to the invoiced amount less a flat transaction fee, a risk intermediation fee and a financing fee (Erbey, [0040], [0115]).

The rationale for support motivation and obviousness and reason to combine see claim 6 above.

As per claim 11,

Adrian disclosed the method of claim 10, the financing fee comprising a percentage of the invoiced amount, the percentage based on the payment term (Adrian, [0011]).

As per claim 12,

Adrian disclosed the method of claim 11, wherein the percentage decreases as the payment term increases (Adrian, [0016]).

As per claim 15,

Adrian disclosed the method of claim 10, the risk intermediation fee comprising a first percentage of the invoiced amount, the financing fee comprising a second percentage of the invoiced amount, wherein the second percentage is greater than the first percentage (Adrian, [0048]).

10. Claims 8, 9, 13 and 14 are rejected under 35 U.S.C. 103(a) as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of William C. Erbey et al. (Pub. # US 2005/0144125 A1- herein referred to as Erbey) and further in view of William Roland Hartley-Urquhart (Pat. # US 6,167,385 – herein referred to as Hartley-Urquhart).

As per claim 8,

Adrian in view of Erbey disclosed the method of claim 6.

However, Adrian in view of Erbey does not expressly disclose the method according to claim 6, the risk intermediation fee comprising a percentage of the invoiced amount.

In a similar field of endeavor, Hartley-Urquhart discloses the method according to claim 6, the risk intermediation fee comprising a percentage of the invoiced amount (Hartley-Urquhart, col.9, lines 24 - 37); (Hartley-Urquhart, col.7, lines 10 - 59).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Erbey wherein the risk intermediation fee comprising a percentage of the invoiced amount as recited in claim 8.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

As per claim 9,  
Adrian in view of Erbey discloses contracts relating to fee percentages (Addrian, [0058]).

However, Adrian in view of Erbey does not disclose the method of claim 8, wherein the percentage comprising ten basis points.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 8, wherein the percentage comprising ten basis points (Hartley-Urquhart, col. 6, lines 4 - 25).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Erbey wherein the percentage comprising ten basis points as recited in claim 9.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

As per claim 13,

Adrian in view of Erbey discloses contracts relating to fee percentages (Adrian, [0058]).

However, Adrian in view of Erbey does not disclose the method of claim 12, said percentage being from eighty basis points to zero basis points based on the payment term.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 12, said percentage being from eighty basis points to zero basis points based on the payment term (Hartley-Urquhart, cols. 2, lines 66 - 67).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Erbey wherein, said percentage being from eighty basis points to zero basis points based on the payment term as recited in claim 13.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

As per claim 14,

Adrian in view of Erbey discloses contracts relating to fee percentages (Adrian, [0058]).

However, Adrian in view of Erbey does not disclose the method of claim 11, said percentage comprising one of: zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 11, said percentage comprising one of: zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term (Hartley-Urquhart, cols. 6, lines 12 - 25).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Erbey wherein, said percentage comprising one of: zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term as recited in claim 14.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN H. HOLLY whose telephone number is (571)270-3461. The examiner can normally be reached on Mon. - Fri. 8 AM to 5 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on (571)272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/J. H. H./  
Examiner, Art Unit 3694

/Mary Cheung/  
Primary Examiner, Art Unit 3694